price contract was signed by MMTC, Hydro Trading (Swiss Company) and and NALCO for $160 per tonne for the sale of alumina, while the international price ruling at that time was $ 182.7 (10.50 per cent on average cash London Metal Exchange settlement rate as was included in the Memorandum of understanding signed between the same parties in March, 1987);

(b) whether the rulig international prices were $ 210.25 and 214.20 a tonne as linked to the LME settlement rate at the time of the shipment of February, 1988 and the second shipment made later; and

(c) what are the losses in foreign exchange suffered on these shipments; if the March, 1987 MOU were not cancelled?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) Yes, Sir.

(b) Such a linkage is only hypothetical since the contract finally concluded did not provide for this kind of linkage.

(c) Since there are no internationally posted prices for alumina as in the case of aluminium, the price differentials are not susceptible of any verification. Hence, it would be hypothetical to evaluate the extent of loss of profit, if any, consequent upon entering into a fixed price contract with Hydro Trading.

Spurt in the price of Essential Commodities

3395. SHRI M. S. GURUPADASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there has been spurt in the prices of essential commodities;

(b) what is the trend of the prices during the past two and half years of the Seventh Plan period; and

(c) what were the prices during the Sixth Five Year Plan period as compared to the current prices (September 1987)?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The prices of many agro-based essential commodities came under pressure during 1987-88 on account of severe drought. During the current financial year, however, there has been deceleration in the price rise and the prices of wheat and edible oils have actually declined.

(b) The trend in prices as reflected from the movement of the monthly Wholesale Price Index (1970-71-100) (WPI) is given in the attached statement (*See* below)

(c) The WPI for the relevant period is given below:

Period :	**WPI**
6th Plan origin (March 1980) .	233.2
6th Plan Terminal (March 1985)	342.5
September 1987 . . .	408.9

Statement

Movement of WPI during the seventh Five Year Plan

(Base: 1970-71– 100)

Months	1985-86	1986-87	1987-88
1	2	3	4
April	350.5	363.3	381.2
May	353.7	368.6	390.3
June	357.5	373.1	394.0

1	2	3	4
July	362·3	378·3	400·6
August	363.1	381.6	409.6
September	357·6	381.5	408·9
October	360.0	384.8	..
November	357·9	380.6	..
December	356.4	377·9	..
January	357·5	377.7	..
February.	358·9	376.6	..
March	359·8	378.1	..

Sourcee : Office of Economic Adviser, Ministry of Industry.

Loss of Stocks of Cotton Corporation of India by Fire at Guntur

3396. DR. YELAMANCHILI SIVAJI: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that huge stocks held by Cotton Corporation of India in Guntur district of Andhra Pradesh were damaged by mysterious fire accidents; if so, what is the actual value of cotton involved in such fire accidents for the last five years and how much loss is claimed from insurance companies; and

(b) whether an investigation is going on in this regard and what steps are taken to prevent such hazards and malpractices?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) and (b) There were no mysterious fire accidents to the cotton stocks of Cotton Corporation of India in Guntur district of Andhra Pradesh. According to the investigation made by police authorities and also by the officers of CCI, the fires were accidental in which cotton stocks of CCI valued at around Rs. 4 crores were destroyed during the last five years. The stocks destroyed were insured and the entire value thereof was reimbursed by the insurance companies. The Corporation has taken necessary preventive steps and precautions such as provision of fire fighting facilities, underground electric wiring etc. to minimise the possibility of such accidents in future.

Meetings of Consultative Committee for Punjab and Tamil Nadu

3397. SHRI ALADI ARUNA alias V. ARUNACHALAM: Will the Minister of HOME AFFAIRS be pleased to state:

(a) how many times the Consultative Committees constituted for Punjab and Tamil Nadu have held their meetings; and

(b) what were the subjects discursed in those meetings?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI SANTOSH MOHAN DEV): (a) and (b) No meeting of the Consultative Committees constituted for Punjab and Tamil Nadu has been held so far.

Conversion of RIL Plant as Refinery

3398. SHRI A. G. KULKARNI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reliance Industries Limited has been accorded a refinery status for their PTA Plant at Patalganga in Maharashtra and if so, what are the rea-